

House Bill 180 (AS PASSED HOUSE AND SENATE)

By: Representatives Rogers of the 26th, Smith of the 113th, Harbin of the 118th, Burkhalter of the 50th, and Stephens of the 164th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 5A of Title 31 of the Official Code of Georgia Annotated, relating to the
2 Department of Community Health, so as to provide that the Department of Community
3 Health shall expedite a review of certain prescription drugs or other health care products
4 produced by Georgia biotechnology, biopharmaceutical, or pharmaceutical companies for
5 inclusion on the preferred drug list under the state health benefit plan, the medical assistance
6 program, the PeachCare for Kids program, or any other health benefit plan or policy
7 administered by or on behalf of the state; to define certain terms; to provide for applicability;
8 to provide for related matters; to provide an effective date; to repeal conflicting laws; and for
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Chapter 5A of Title 31 of the Official Code of Georgia Annotated, relating to the Department
13 of Community Health, is amended by adding a new Code section to read as follows:

14 "31-5A-8.

15 (a) As used in this Code section, the term:

16 (1) 'Biopharmaceutical' means the application of biotechnology to the development of
17 pharmaceutical products that improve human health.

18 (2) 'Biotechnology' means any technological application that uses biological systems,
19 living organisms, or derivatives thereof to make or modify products or processes for
20 specific use.

21 (3) 'Georgia biotechnology, biopharmaceutical, or pharmaceutical company' means a
22 biotechnology, biopharmaceutical, or pharmaceutical company, or a corporate division
23 of such a company:

24 (A) The principal activity of which is research or development, manufacturing, or
25 sales of health care products in this state; and

(B)(i) That had a total economic impact in this state of not less than \$60 million during the most recent taxable year;

(ii) That has total capital investment in this state of not less than \$100 million; and

(iii) That employs at least 200 Georgia citizens. Such term shall not mean a warehouse used to store health care products.

(4) 'Pharmaceutical' means of or pertaining to the knowledge or art of pharmacy or to the art of preparing medicines according to the rules or formulas of pharmacy.

(5) 'Research and development' means experimental or laboratory activity for the ultimate purpose of developing new products, improving existing products, developing new uses for existing products, or developing or improving methods for producing products.

(6) 'Total economic impact' means the sum of total employee payroll, investment in external research and development, the value of prescription drug samples provided to physicians, and the value of prescription drugs donated to low income individuals through patient assistance programs.

(b) The Department of Community Health shall expedite the review of any prescription drug or other health care product having an approved indication from the federal Food and Drug Administration for use with humans and that is produced by a Georgia biotechnology, biopharmaceutical, or pharmaceutical company for any health care coverage provided under the state health benefit plan under Article 1 of Chapter 18 of Title 45, the medical assistance program under Article 7 of Chapter 4 of Title 49, the PeachCare for Kids program under Article 13 of Chapter 5 of Title 49, or any other health benefit plan or policy administered by or on behalf of the state. Such review shall take place as soon as practicable following the date that such drug or health care product becomes available for public consumption. This subsection shall apply to all contracts entered into or renewed by the Department of Community Health on or after July 1, 2008.

(c) In complying with the provisions of this Code section, the department shall consider the nexus of a biotechnology, biopharmaceutical, or pharmaceutical company in relation to the state along with the financial impact on the state, the quality of the product, and other relevant factors."

SECTION 2.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.